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Alex. Brown & Sons.

Dinner given by
Alexander Brown & Sons...

[Baltimore, Md.]

[1920]

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Dinner given by Alexander Brown & sons to the president, directors and officers of the American sugar refining company at the Maryland club on Friday evening, January sixteenth, nineteen hundred and twenty, Baltimore, Maryland.
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BALTIMORE

Welcomes

The
American
Sugar Refining
Company

The American Sugar Refining Company

117 Wall Street

New York

OFFICE OF
THE PRESIDENT

On May 20, 1919, definite steps were taken to select a site for a new refinery of THE AMERICAN SUGAR REFINING COMPANY. These steps resulted in the decision to build a sugar refinery in Baltimore. In the space of a year nearly a score of sites have been examined, hundreds of building plans have been drawn and redrawn and thousands of details have been worked out. The first anniversary finds active work at the refinery site in progress.

It is a matter of pride to the Company that its acceptance of the invitation to come to Baltimore has met with such a cordial reception. Business relations have been formed throughout the Baltimore territory which will continue for years to come.

It is thought that a permanent record of the first touching of elbows of the Company in Baltimore will be of present interest and of future value. Hence this booklet.

***The* American Sugar Refining Company**

Edwd Babst

President

May 20, 1920

DINNER

GIVEN BY

ALEXANDER BROWN & SONS

TO THE PRESIDENT, DIRECTORS AND OFFICERS OF

The American Sugar Refining Company

AT THE MARYLAND CLUB

ON

FRIDAY EVENING, JANUARY SIXTEENTH
NINETEEN HUNDRED AND TWENTY

BALTIMORE, MARYLAND

Published by
The American Sugar Refining Company

EDITORIAL

Baltimore American of October 17, 1919

FOR more than ten years Baltimore has been talking over the sugar refinery proposition—discussing the idea from every conceivable angle, and from whatever angle it has been approached the proposal has looked like a safe and sound business proposition. But the refinery has not evolved. Washington is so near to Baltimore that a refinery here would serve the consumption needs of both cities. There is a population of at least 3,000,000 that would be quickly and cheaply reached by a sugar output from a big Baltimore refinery.

ANOTHER INDUSTRY FOR BALTIMORE

Baltimore News of December 16, 1919

ANOTHER great industrial enterprise—this time a sugar refinery—is added to the list which have sought Baltimore recently. Second only in size to the Bethlehem Steel Company's plant at Sparrows Point, the new plant of The American Sugar Refining Company, while it will not give employment to a great number of men, will add greatly to the commerce of the port of Baltimore, which is to become, it is understood, the Company's chief point of supply for all of the Middle West.

Of especial interest is the feature of the Company's announcement which has to do with its ocean shipping program. The vessels which will come to Baltimore loaded with the raw sugar will necessarily seek return cargoes; and there is provided ready-made, as it were, the machinery for shipments from Baltimore or through this port to the West Indian and Central American territory in which there will be, until Europe's productive capacity returns to normal, so unique an opportunity for American exporters. If we do not secure this trade, we shall have only ourselves to blame.

ALL ROADS ARE BEGINNING TO LEAD TO BALTIMORE

Baltimore Sun of December 17, 1919

DAY after day those old Baltimoreans who during lean years held fast to their faith in the city's future and in its recovery of the position it held prior to the Civil War are being rewarded. Almost daily announcement is made that a new and important industry has come to Baltimore, after a coldly scientific study of its economic advantages.

The latest announcement, that The American Sugar Refining Company will build a huge refinery here, is one of the best compliments Baltimore has received in many a day. The gentlemen who run that immense enterprise not only are all business, but they are exceedingly penetrating and analytical of mind. When they decide to come right into the heart of the industrial section of the city, buy a large block of land already occupied and erect a plant that will cost, for construction and equipment, at least $8,000,000, we may be sure that we have here in Baltimore something that business people of the country need.

Baltimore welcomes this new industry, as it has welcomed the other new industries, large and small, that have located here. All its resources are at the disposal of the newcomers, that they may be both prosperous and happy. They will find a certain sentimental interest in their coming and their welfare, for, once upon a time,

Baltimore had another large sugar refinery, which disappeared, much to the city's sorrow, in the reorganization of the industry during the days when vast combinations were being erected overnight in all industrial lines.

And, with this new evidence of his standing, Lord Baltimore looks over the whole aggregation of industry, and says: "Here I am! Look me over. It will be worth the while of both of us."

Letter from
HONORABLE JAMES H. PRESTON
Mayor of Baltimore 1911 to 1919

December 18, 1919.

Hon. WILLIAM F. BROENING,
Mayor of Baltimore,
Baltimore, Maryland.

My dear Mr. Mayor:

I am writing to congratulate you on the establishment of a sugar refinery, which I understand is about to be placed in Baltimore.

This is one of the dreams which I had when I was in the City Hall, and I certainly congratulate you on the accomplishment of it. I was informed that the establishment of a sugar refinery was the most important industry that could be placed in a port. Its contribution to the prosperity of the City is of the first magnitude, both for general trading conditions, as well as the stimulation of the activity of the port, and I believe that there is nothing that has been done in my time which is of more value to the community than the establishment of a sugar refinery.

With best wishes for your success, I am,

Yours very truly,

(*Signed*) JAMES H. PRESTON.

ADDRESSES

INTRODUCTORY REMARKS

MR. ALEXANDER BROWN

Senior Member of the Firm of Alexander Brown & Sons

MR. BABST, the Directors and Officers of The American Sugar Refining Company, and our Baltimore guests:

We welcome all of you most cordially on this occasion which is designed for a double purpose: to celebrate the coming of The American Sugar Refining Company to Baltimore, and to give an opportunity to the leaders in the financial and business life of Baltimore to meet the President, Directors and Officers of the Company.

The evening of January 16th will long remain in the memories of all of us, not simply because of this occasion, but because of the fact that the new Prohibition Law goes formally into effect at midnight to-night. In anticipation of this and because of the character of the occasion, it has seemed appropriate that we should celebrate with a liquid more stimulating than water. It has given me a great deal of pleasure therefore to bring from my own cellar some old Madeira which was brought to this country by my great-grandfather over 100 years ago. The family record does not show how old the Madeira was when it was brought to this

country, but it is safe to say that it has mellowed considerably during the last century.

I well remember the advice that my father gave me many years ago when I first entered the banking business. He advised me that the man who said little, made few mistakes. I have followed this advice for a great many years and I shall pursue it to-night; and so, after expressing to all of you my most cordial welcome, I shall turn over the proceedings for the rest of the evening to my partner, Mr. Griswold, the President of the Board of Trade of Baltimore.

INTRODUCTORY REMARKS

MR. B. HOWELL GRISWOLD, JR.
Of the Firm of Alexander Brown & Sons, and President of the Board of Trade of Baltimore

MR. BABST and Gentlemen: My senior partner—I might call him my "silent" partner—is not as consistent as usual. After explaining to you the wise counsel which has guided him in his career, and after adjusting his conduct to-night to his counsel, he calls upon his junior partner to violate his precept. Having in mind his successful career, I shall try to profit by the warning of Sydney Smith, who in speaking of his brother—a solemn "cuss"—said: "My brother and I have violated the laws of nature. My brother has risen by his gravity, while I have sunk by my levity."

You will note the difference between the two types of men. The "silent" partner made a grave and precise statement about his Madeira. He said he had inherited it from his great-grandfather. If his mind had inclined to levity, he would have said: "The dinner is given by Alex. Brown & Sons; the Madeira is supplied by Alex. Brown & Fathers."

The Madeira, however, is appropriate to the occasion, which is an unusual one. January 16, 1920, is an historic

date. Three great events combine to make it so. For to-night all of the world except America enters into formal peace, the Eighteenth Amendment to the Constitution of the United States becomes effective, and we celebrate the coming to Baltimore of The American Sugar Refining Company. Peace, prohibition and prosperity —a toast, indeed, for the advocate of grape-juice.

An English writer once suggested as a supplement to "The Fifteen Decisive Battles of the World," a book to be entitled "The Fifteen Decisive Dinners of the World." Surely this is one of them, for we celebrate the passing of war, the passing of alcohol and the coming of sugar. Our emotions are apt to become confused as a result. To-night on the streets of Baltimore as well as the streets of other great cities of this country, you will find soldiers and civilians burying war and burying alcohol at the same time. It tends to confusion and recalls the story of the wealthy New Yorker who received a cablegram during the war, that his elderly aunt had died in England. After considerable difficulty he made arrangements with the State Department to have the body shipped to this country. Upon the arrival of the coffin at his home it was opened and found to contain the body of a British Brigadier-General in full uniform. The nephew, somewhat horrified, cabled at once to the State Department of Great Britain and received this reply; "Please exercise the utmost discretion. Your esteemed aunt was buried here yesterday with full military honors."

And thanks to the humor of fortuitous circumstance,

America is burying alcohol tonight with full military honors. The third event—the coming of The American Sugar Refining Company to Baltimore—we celebrate with unmixed emotions, for it is the purpose of the Company to build here the most modern and efficient and possibly one of the largest sugar refineries in the world. The contemplated expenditure involves eight to ten millions of dollars. I shall not make my usual speech as President of the Board of Trade of Baltimore on the economic advantages of this city to industries, because I remember well the warning of an old family servant who, when rebuked because of lack of attention to his wife, said philosophically, "Why should one run after a street car when he has caught it?"

At each of the various tables are one or more officials of The American Sugar Refining Company. With them are the men who have distinguished themselves in the financial and business life of Baltimore. We hope that you have learned to know and to like each other. The officials of the Company will spend a great deal of time with us and we want them to feel that everywhere they go in this city they will find friends.

Several of our guests were unable to come at the last moment. One is the Governor of the State, from whom we have received a telegram. I have asked the Honorable John C. Rose, Judge of the United States District Court, to fill his place. Later in the evening, I shall call upon His Honor to express his views, on behalf of Governor Ritchie, concerning the administration in Washington. The fact that Judge Rose was appointed

by a Republican President, was a very intimate friend of Theodore Roosevelt, and holds views somewhat dogmatic on the subject of Republican efficiency, will not embarrass him, I am sure, when called upon, if he will bear in mind that he speaks to-night as the representative of Governor Ritchie, who, taking firm grasp of the Presidential coat-tails, arrived in the Gubernatorial chair with an alarmingly narrow Democratic majority.

We regret the absence of Mr. Willard and Mr. Shriver of the B. & O. R. R., and Mr. Edmunds of the *Manufacturers Record*. We particularly regret the absence of Mr. Howard Bryant, President of the Second Branch of the City Council, who was called out of the city at the last moment. He has worked so faithfully and energetically and with such discretion and business-like judgment to bring the Sugar Refinery to Baltimore that all of us had hoped that he might be present to witness the fruition of his work.

And now I am going to call upon the Mayor of Baltimore to express officially the word of welcome which he has already informally expressed so cordially to the officers of The American Sugar Refining Company. We have been accustomed in this country to view our mayors as a visitation upon the people for their sins—the crêpe upon the municipal door-bell. The best of them are so desirous of establishing a record for doing nothing wrong, that they seldom do anything right. They are watching holes in the pavement and measuring them in terms of the tax-rate, instead of lifting up their eyes and looking around for additions and improvements which

will automatically reduce the tax-rate and fill the holes. But few of them seem to have grasped the idea that a community depends in large part for guidance upon its mayor; that a mayor is not the center of gravity around which city life revolves, but the leader of his people. If he squints through the wrong end of the binoculars he will become lost in minutiæ; if he turns the glass around he will have a vision that is worth while.

We are fortunate in having a mayor who is looking through the right end of the binoculars, is straining his eyes toward the interior to see what industries and factories can be brought to Baltimore, and is turning the glasses to sea to welcome foreign trade to the port of our city. He was in close communication with the officials of the Company and with the Board of Trade during the negotiations which led to the coming of The American Sugar Refining Company to Baltimore. His broad-mindedness, his tact and willingness to aid in every reasonable way, were an important factor in bringing the new refinery to our city.

I, therefore, take pleasure in calling upon the Honorable William F. Broening, Mayor of Baltimore.

ADDRESS

HONORABLE WILLIAM F. BROENING
Mayor of Baltimore

AS Mayor of Baltimore, I want to express to you, General Brown, and the members of your firm, my appreciation for this opportunity of meeting with the President and Directors of the American Sugar Refinery, and to be thus privileged to extend to them, on behalf of the City of Baltimore, an official welcome into the business life of our community.

We have a great city with wonderful opportunities and possibilities. We have always felt proud of our city, but especially so during the past years, because of the wonderful, progressive spirit of our people. When the great conflagration of 1904 visited our city, it came at a time when we were just contemplating belated, needed public improvements. While that fire destroyed more than one hundred and twenty-three millions of dollars of property, yet, ere the flames were finally quenched, the staid and conservative spirit of our people had changed, and they determined to profit by what seemingly was a great catastrophe, laying waste the business heart of our city, and to rebuild upon these ruins a bigger and a better Baltimore.

Immediately thereafter, committees were appointed

and plans formulated, resulting in a comprehensive plan of public improvements, involving an expenditure of more than fifty-three millions of dollars, so that Baltimore to-day has one of the best sewerage systems of any city in the country and has the best paved streets of all the cities in the United States.

This progressive spirit and desire to grow so took possession of our people, that they determined to extend the corporate limits, resulting in adding to our former area of thirty-one square miles, sixty-six additional square miles, making the Baltimore of to-day three times larger than it was a little over a year ago.

With that additional territory, of course, comes additional responsibility. Our plans are now to expend twenty-five millions of dollars in the development and extension of our water system, and twenty-six millions of dollars in other public improvements, including the building of additional public schools, the extending of improved streets and sewerage system, looking to a full and proper development of the newly acquired territory.

In addition we have real opportunity in the wonderful harbor and water front with which nature has endowed us, and in order that our harbor and water front may be properly developed, we have a program for the securing of the right to negotiate a loan of fifty millions of dollars, to be used exclusively in the improving and developing of our harbor and port facilities, making a total of one hundred and one millions of dollars contemplated in public improvements.

To the fact that we are so admirably situated and that

our city presents these wonderful opportunities, no doubt is due the location by The American Sugar Refinery of one of its units in our city. It is gratifying indeed that conditions here are such as to have thus commended Baltimore to the favorable consideration of the President and Directors of this great business institution. We have confidence that they have made no mistake, and that their location here will afford them greater possibilities than they have ever had in any other city where they may now be established.

We are pleased to have them with us and to welcome them into the life of our community. We know what it will mean from a business standpoint, and how our industrial, commercial and all other business and civic activities will be stimulated. Because we wanted them, we are glad that they have come to us, and in this spirit of mutual interest we bid them a cordial welcome, with the sincere assurance of our earnest and hearty co-operation.

Personally, I am pleased to have this opportunity to meet and know these gentlemen, and feel sure that in this enterprise of theirs we have an added factor in our community that will prove to be a great force in the development of a bigger and better Baltimore,—the greatest city along the Atlantic seaboard.

TOASTMASTER, introducing Mr. Earl D. Babst:

Gentlemen: The impression seems to prevail in this country that the President of a Trust is not a human being. He is pictured with a jowl and an abdomen fattened on consumers eaten alive. His clothes are as assertive and checkered as his career. Like Mr. Pickwick in the pound, "he ain't got no friends."

Now, in the first place, I am advised by eminent counsel that The American Sugar Refining Company is not a Trust. This may explain Mr. Babst's diversion from type. I can assure you from personal experience, that he is very much of a human being, efficient, direct and precise in all his dealings, and at the same time possessing that saving grace of humor without which every man should be sent to jail for life. If the Company is not the much belabored beast of burden of former years, it is in no small part due to the ability, vigor, sincerity and honesty of purpose of Mr. Babst and the officials he has gathered around him. Gentlemen, I take great pleasure in introducing the President of The American Sugar Refining Company.

ADDRESS

MR. EARL D. BABST
President, The American Sugar Refining Company

YOU must certainly know how deeply we appreciate the warmth of this official greeting from Mayor Broening in behalf of the City of Baltimore, how gratified we are to be the guests of Mr. Brown and of his associates, and how significant to us is this cordial welcome from the business organizations of Baltimore.

We already have sensed the meaning of this welcome in the splendid co-operation we have had from Mayor Broening, from President Howard Bryant and from the other members of your municipal family, just as we have had the most cordial, generous and helpful co-operation from Mr. Daniel Willard, from Mr. George M. Shriver and from the members of their capable staff in the Baltimore & Ohio Railroad Company.

No less do we appreciate the welcome from your influential newspapers and the friendliness of their editorial comment. We wish you to know how you have heartened our purposes and how anxious we are to deserve, by reason of our own achievements here in Baltimore, the right to share with you a proud distinction by becoming real Baltimoreans.

In order to get quickly and briefly at the things you

properly might expect us to discuss to-night, I shall undertake to ask and to answer three pertinent questions.

Why have we accepted your invitation to come to Baltimore? Who are we? What are our Baltimore plans?

The answer to the question why we accepted your invitation to come to Baltimore is very simply stated.

First and foremost, because you asked us. We have put our hands in yours and have decided to come here and become a thorough-going Baltimore enterprise.

Second, we have come by reason of your natural geographical advantages. But more especially by reason of what you in Maryland and Baltimore have done with those natural geographical advantages.

Third, we have come by reason of the confidence and reliance we have had in and for your State and City ideals of civic government and fair play.

For considerably more than a year our active staff has been engaged in investigating the entire refining situation in this country, as there was need in the refining industry for a more economical refining unit. Our industry is one of large volume and of small margin of profit. In the five years since I have been an officer of this Company, our net profit from operations has ranged from 2 to 4½ per cent. on our sales. Stating it as related to pounds, a profit ranging from a tenth of a cent, or one mill, to ⅓ cent, or about 3 mills, on every pound of refined sugar produced. This is, so far as I know, the smallest margin of profit in the entire manufacturing world. It brings our operation perilously close to an

even break,—so close that every operation, every risk, every point of loss and of waste must be carefully guarded against, with the necessity of keeping our tools up to the highest point of economical operation. Speaking in terms of sugar, each 2-cent postage stamp means the profit of refining 20 pounds of sugar, each lead pencil means refining 25 pounds of sugar, a 16 candle-power bulb means refining 130 pounds, an unnecessary letter costs at least the refining of 250 pounds and to damage an empty sugar barrel costs the refining of 450 pounds of sugar. We need always the best, the latest, the most approved, the most efficient.

It has been 10 years since we have built at Chalmette near New Orleans our last refinery, without doubt the peer of any sugar refinery in the world. We were ready for another at some point, for we are very jealous of our position in the refining industry. Year by year we have seen the percentage of the total business of our competitors steadily increase. In 1900 we had 60 per cent. of the sugar business of the country and our competitors had 40 per cent. To-day, by reason of the steady decrease year by year, we have not more than 30 per cent. and our competitors have at least 70 per cent. This means that while our volume is to-day as large as it ever has been, yet our percentage in the industry has gone down to a point where we must put ourselves in position to share at least with our competitors the general growth of the business.

I said that we were attracted to Baltimore by your geographical position and what you have made of your

advantages. You have water, and a 35-foot channel into the very heart of the city. You have a wonderful harbor with direct rail connection, not only to the South and to the Middle East, but into the great Middle West. In other words, you have a market. Any business, no matter how useful it may be, no matter how economically it may be operated—any business which does not have a market is as useless as a painted ship on a painted ocean. Your great railroads, and the freight fabric which they provide and maintain, in themselves are an invitation to come here and become part with you of this great market.

The most important consideration in our minds on this point was whether, once we had come by reason of your invitation and by reason of your market, we could rely that these great railroads and you as shippers would hold and keep this market and so sustain this great investment we are about to make. We think that question has been answered already by what we have learned of the spirit of the business men of Baltimore since we announced our acceptance of your invitation.

We were attracted by your State and City attitude toward business enterprises. Your laws encourage manufacturing. Your foreign corporation laws have always been among the most fair and the most liberal, the most encouraging, the most inviting to foreign capital of the laws of any State in the Union. No one who saw Baltimore after the fire and who has seen what you have done on its ruins could have any doubt or any hesitation about the spirit of Maryland and of Baltimore. No one can

go around your harbor or see the railroad tracks serving your industrial enterprises, or go through your home sections, especially seeing the comfortable homes of your workingmen, without the greatest admiration for your enterprise. Nowhere in America, so far as I know, are there living conditions for every man, woman and child, no matter what their station in life, as comfortable and as inviting as those provided in Baltimore.

The best investment in all the world for every workingman is a home. The fact that Baltimore is a city of homes is in itself a guaranty of mutually pleasant and satisfactory industrial relations. We have conducted a survey of Baltimore, into every phase of our needs. Such a matter as water, where we need a gallon of water for every pound of sugar we refine—where we need a half pound of coal for every gallon of water—where we are concerned with fire protection, building ordinances, city delivery conditions, street railway and traffic conditions, churches, schools and all the multitude of relationships by which we compare one city with another; one site with another; one seaport with another; one market with another, were all considered. Out of the crucible of investigation and of comparison came the acceptance of your invitation. We are here.

Now who are we? You have the right to ask that question and we are more than eager to answer it. I have told you of our place in the industry. Now let me tell you more intimate things. We have six refineries, one at Boston, two in New York harbor, two in Philadelphia harbor and one in New Orleans. There are 16

other cane sugar refineries and 94 operating beet plants in the United States, all producing table sugar, and contending for the market in open competition with each other. In our operations last year we docked at our refineries 533 ships of all sizes, bringing a million and a half tons of raw sugar from the West Indies. In normal years we have ships from the Orient, Java, Peru, Brazil, Venezuela, British Guiana, in addition to those from the West Indies, and from many other markets. In order to manufacture this raw sugar into refined sugar we bring into our refineries each year about 50,000 carloads of packing material, equipment, machinery and other manufacturing accessories. The refined sugar is shipped in various ways, on coastwise steamers, railroad shipments to all out-of-town points, automobile truck deliveries in refinery cities, to a grand total of between 7,000,000 and 8,000,000 barrels of sugar, or approximately 80,000 carloads of sugar, making a train reaching on the Baltimore and Ohio Railroad from Baltimore to Cleveland. This is a large operation, all done on a very slender margin.

We manufacture our own barrels, and for that purpose have 525 square miles of timber. We have seven stave plants and four barrel assembling plants, with 135 miles of railroad, with logging camps, towns and other industrial enterprises which go along with such a large timber enterprise. Our cut-over lands in the Adirondacks we are reforesting. We make our own cartons for the packing of sugar, making last year, entirely aside from those which we bought outside, 160,000,000

cartons. We consume between 600,000 and 700,000 tons of coal a year. We buy enough cotton cloth to more than go round the world, as we also do of paper used in packing. By reason of the character of the business all this is done by a comparatively small organization. Our total number of employees runs only between 10,000 and 12,000 people. In addition to this we have recently acquired a very interesting and beautiful property in Cuba, with a capacity of producing about 90,000 tons of raw sugar a year. The last few years we have gone more extensively into the molasses business and have built receiving stations in connection with that business, together with tank cars and tank steamers.

You might very properly ask us what is our business policy. It is very simple and very old. We undertake to turn a great volume of sugar into a large variety of products on as small a margin as possible, dealing directly with our customers, advertising our products to the public and maintaining a liberal policy of working hours, working conditions and wages, all governed by conscience and fair play.

What are we going to do in Baltimore? In the first place, we are prepared to like you and we hope to win your good opinion. We propose building here one of the largest and most economical sugar refineries in the world, with working conditions and manufacturing surroundings the best that skill and money can provide. We propose to build here a cooperage plant to match the refinery, and incidentally to serve any needs in your market. We expect to carry the banner of Baltimore

through your wholesale and shipping trade to the consumers in your market. We expect to supply, at a great advantage over anything they have had heretofore, your great canning and preserving and other manufacturing industries. We sell sugar to nearly a hundred different lines of manufacture.

We hope you will use our acceptance of your invitation as a means of getting a large number of manufacturers in these various lines to come to Baltimore and settle down within a comfortable delivery distance of our Baltimore refinery. We expect to play the game with you and we are relying on you to play the game with us, to the end that our venture and our courage in putting such a large stake in your keeping may come out to the unending success of all of us.

This work in Baltimore will be done by our active staff, a large part of whom are here to-night, and I can think of no better way of introducing the men with whom you will really have your relationships, and who will have the responsibility of carrying out this whole enterprise and of maintaining a close relationship with you and with your market, than by asking each one of our active staff to rise in his place and make his bow to you as I call his name.

ROBERT M. PARKER, *Vice-President*
W. EDWARD FOSTER, *Treasurer*
JOSEPH E. FREEMAN, *General Counsel*
EDWIN T. GIBSON, *Secretary.*
EDWARD Y. CROSSMORE, *General Sales Manager*

PAUL M. RIPLEY, *Traffic Manager*
RALPH S. STUBBS, *General Manager*
MAJOR JOHN W. F. BENNETT, *Member Consulting Board*
MORRIS K. TRUMBULL, *Member Consulting Board*
ARTHUR B. WOLLAM, *Comptroller*
THOMAS A. SULLIVAN, *Vice-President and General Manager, Brooklyn Cooperage Company*

GENTLEMEN, WE ARE HERE!

TOASTMASTER, introducing Mr. Ralph S. Stubbs:

Gentlemen: Early in October, 1919, I had a wire from a Director of The American Sugar Refining Company asking me if I would arrange to see Mr. Ralph S. Stubbs, General Manager of The American Sugar Refining Company, and one or two of his associates who were considering the advisability of locating a sugar refinery in the South and had Baltimore in mind as a possible site. An engagement was promptly made. I expected to welcome a hoary-haired gentleman whose face was marked with the lines of experience and care. You may imagine my surprise, therefore, when there came into my office a young, vigorous, serious-minded man who looked as if he were just beginning his business career. A few moments' conversation with him, however, showed me two things: first, that the Company had made no mistake in selecting its General Manager;

and, second, that the General Manager was a man who while well able to take care of himself was not only fair-minded in his dealing, but what was even better and rarer—liberal-minded. This prognosis was confirmed by later experience with him, and I found the same qualities in his associate, Mr. Trumbull, a member of the Consulting Board of the Company. Knowing that these men are to be engaged in the active work of constructing the refinery in Baltimore and adopting them as fair samples of their associate officers, the Toastmaster will entertain a motion that Mr. Babst, Mr. Stubbs, Mr. Trumbull and their associates be elected honorary citizens of Baltimore, with all the rights, honors and privileges to that degree appertaining.

The motion was made and seconded and unanimously carried. Mr. Griswold then introduced Mr. Stubbs.

ADDRESS

MR. RALPH S. STUBBS
General Manager, The American Sugar Refining Company

MR. BROWN, Mr. Griswold and Fellow Baltimoreans: May I tell you first how genuinely glad I am to be here this evening and how distinctly complimented I feel at your invitation to speak? Standing on the threshold of a great industrial undertaking, what could be more profoundly convincing of its assured success than your cordial greeting of the Directors and Officers of this Company? All of the many and varied business interests of this City and State, with whom we have come in contact since the inception of this enterprise, have given us such abundant evidences of good will and coöperation that our future course is straight and clear.

Recognizing from the outset the importance of the support of the strong and representative industrial interests of this city, we early accepted the aid of the Baltimore Board of Trade and through the friendly counsel and helpful advice of the President and Officers of that organization many of our problems have already been solved. We are under particular obligations to the Baltimore & Ohio Railroad. The coöperation and assistance given us by the officers of that Company have

been of inestimable value. Our pathway has been made easy and our appreciation is sincere.

The task of building a great industrial plant of this kind is not an easy one; it requires brains, skill, resourcefulness, stamina and courage. Months ago, and long before either the city or site for this projected plant had been selected, the President of our Company, with his rare vision and broad grasp of these great economic problems of the present and the future, gathered about him a staff of men whose experience, qualifications and training would fit them to meet adequately the many trying, complex and perplexing matters involved in an enterprise of this character. I have a very great pride in these associates of mine and the things they have done and the things they are to do. Their job is to build this refinery and it will be a job well done. They constitute the human foundation stone upon which this structure must stand. For many weeks this organization has been constantly at work making an intensive study of this whole project. Over a hundred plans have been prepared, out of which there has gradually been woven one comprehensive plan which will meet every exacting requirement.

Now about the plant itself: We have acquired sufficient property at Locust Point, in the very heart of the city, to build one of the largest and certainly the most modern and complete sugar refinery in the world. Our total water frontage is over a quarter of a mile in length. We will require the employment of approximately fifteen hundred people—men and women—each day. The

raw sugar needed to serve this plant will be drawn from many parts of the world, although principally from the islands of the West Indies and from Central and South America. To handle this raw sugar from two to four ships each week will be required, and the plant will have sufficient wharfage to accommodate three ships at one time. This means the bringing of vessels to Baltimore which will be seeking return cargoes. Therein lies opportunity, and great opportunity, for an enlargement of Baltimore's foreign trade. More ships mean more business and more business means increased prosperity. Small craft, such as floats, lighters and barges, to serve the canning and manufacturing industries situated on the harbor and tributary waters will be provided for. As a distributing point Baltimore's position is unrivalled. Under normal conditions this plant should ship by railroad alone from 50 to 75 carloads of sugar and sugar products daily, adding this measure of increased strength to the trade relationship between this city and the markets of the west.

One more word: May I say that wherever the interests of this Company may best be served by the local trades and markets of this city and State, that policy will be steadfastly followed. This is an obligation self-imposed and to be respected. We come to Baltimore as Baltimoreans; we are glad to come and glad you want us here.

TOASTMASTER, introducing the Honorable John C. Rose:

Gentlemen: The hour is growing late, the Honorable John C. Rose, United States District Judge, is still within the confines of the Maryland Club. The Prohibition Law goes into effect at 12:01 A. M. to-night or at such fractional moment between 12:00 and 12:01 A. M. as the legal mind can grasp. It is necessary to get him out of the club before that time, and as I do not know how long he is going to speak, I think it is wise to call on him at once.

His name would suggest all that is pleasant and agreeable, and yet a prisoner on his way to Atlanta, Ga., after an encounter with the Judge, was heard to remark that "A rose by any other name would smell as sweet."

As suggested earlier in the evening, I had under consideration calling on him to discuss "The Present Administration in Washington." I have come to the conclusion that it is not safe if we desire to have him out of the club by midnight. I then thought I might suggest as a subject, "The Ancient and Honorable Banking House of Alex. Brown & Sons" in order that we might leave in the minds of the officials of The American Sugar Refining Company that pleasant impression which often leads to the sale of securities by a company undertaking a new project. Having been assured that the Company contemplates no such financing at present, I should feel that an otherwise stimulating effort on the part of the Judge would be fruitless.

I therefore conclude that I must leave the choice of subject to His Honor.

Gentlemen, I present the Honorable John C. Rose.

ADDRESS

HONORABLE JOHN C. ROSE
United States District Judge

I WAS at first bidden by the Toastmaster to voice Governor Ritchie's admiration for the National Administration, but we have also been warned to-night against waste, and I suppose that includes words as well as weightier things. Does not the presence here of my friend, Frank Kent, of the *Sun*, remind us all how he has, for six years, ten months and twelve days, morning, evening and Sunday, chanted Te Deums and raised Hosannas to President Wilson and everything he does and everything he says? If we Baltimoreans are not converted by this time to the pure gospel of the Wilsonian word, we will not believe, although one rose from the dead. Why now pile Pelion on Ossa?

To-night we have been many times reminded that this is the fateful 16th of January, 1920. The King is dead! Long live the King! As alcohol wanes, sugar waxes! The demand for the products of our guests of honor is growing almost beyond the possibility of meeting it. We welcome them to Baltimore. We, and the world, have need of all that their projected refineries can turn out.

How often, Mr. Toastmaster, you came back to those entrancing figures of the Eight to Ten Millions

that these new structures were to cost. The sum had a fascination for you, but was there not in all your exultation over its vastness, every now and then a shadow thrown by your recollection of the saddest of all sad words of tongue or pen—"It Might Have Been"? You could not altogether forget that these millions are to bring forth a new and lusty industrial life without paying the bankers a penny of midwife's fees.

But there was another set of figures given by Mr. Babst that interested some of us more than what the late Mr. Mantalini would have called the "demned totals." It was the fascinating story of the trifling fraction of a cent a pound upon which all this colossal business, with its mighty profits, rests. If for any reason the ability to earn and save that fraction should cease, the plants of this great Company would be so much scrap and junk. But that it shall not cease, all its officials are ever thinking, planning, doing.

I wish there was some way to bring home to every American the lesson they are teaching. Extravagance has ever been our national weakness, and it has never run wilder than to-day. We have always acted as if we were ashamed of being suspected of practicing small economies. We all like to affect a lordly disdain for little savings. Ruin lies that way—national as well as individual. I wonder how many hundreds or thousands of millions would annually be added to the capital of this country if every one of us formed the habit of watching always against that wilful waste which brings woeful want.

We are all fond of talking about millions and billions.

We love to roll such figures under our tongues, losing sight altogether of whence they come, and, in so far as they are to be employed in industry, the end they should attain.

Mr. Babst to-night puts the emphasis in the right place. The millions that are to be spent here are to be laid out in order to bring or to keep down the cost of sugar by a small portion of a cent. If they do, an ample income will be returned upon the investment. We are glad you are coming here, that you may, by practical example, preach such a gospel in Baltimore. We need it.

TOASTMASTER, introducing General Samuel McRoberts:

Gentlemen: It is not only a great breach of propriety on the part of a Toastmaster, but an evidence of moral turpitude, to call upon a speaker without warning him in advance. So many of you, however, are anxious to hear from the gentleman I have in mind, that I cannot refrain from introducing General Samuel McRoberts, one of the Directors of The American Sugar Refining Company. He is a man whose services to his country during the war should have brought to him that satisfaction which makes men content to die or to live. We much prefer the latter alternative.

I take pleasure in introducing General Samuel McRoberts.

ADDRESS

GENERAL SAMUEL McROBERTS
Director, The American Sugar Refining Company

IN responding to the invitation of the Toastmaster to speak on behalf of the Directors of the Company, I do so with great diffidence and timidity; in fact, if it was not for the kindly forethought of Mr. Brown's great-grandfather, I doubt if I would have the courage to rise at all.

In coming to the Club to-night one of your very charming young Baltimoreans got into our automobile. He asked which auto the directors were in. When we told him we were all directors in the party, he said: "Well, I have got into the wrong car; I was going to ride with the fellows who are building this refinery." Nobody seems inclined to take us directors very seriously. I assure you we are all really a part of the organization and are a working directorate. It is true that none of us are inclined to work, and I suppose that is even more true of the other directors present than it is of me. But we can't help it. When Mr. Babst was selected for the Presidency of the Company, he consented to accept the office on condition that he be permitted three months before assuming the duties of the position. We agreed to this. Mr. Babst disappeared

and was not heard from for ninety days, when he presented himself and announced that he was ready to go to work. On the day he was elected President of the Company the directors were invited to dine with him at his home in the country. Anticipating a good dinner and a pleasant evening, we all accepted and presented ourselves on time. The dinner was early and was good, but the service was hurried. With the coffee and cigars we were ushered into the drawing room, which had been transformed into a moving-picture theatre. Mr. Babst, with pointer in hand, stood by the screen. He proceeded to familiarize his Board with the sugar business from the time the cane is planted in the tropics until it is consumed in the United States. He showed us pictures of every piece of property owned by the Company, calling particular attention to ill-kept premises and buildings out of repair. By moving films he showed us all the operations of sugar refining, packing and marketing.

How was it possible, you ask, for him to acquire this knowledge in ninety days? The answer is that he first investigated the production of raw sugar in Cuba and then the refineries of The American Sugar Refining Company. After having thoroughly familiarized himself with the production and refining end, he visited more than one thousand merchants, retail and wholesale, and even went to the housewives to get their point of view. No stone was left unturned, no line of investigation omitted, that might help him in gaining at first hand the facts about sugar.

Three hours after that dinner we went away very

limp but much wiser directors. And he has kept us at it ever since. We have come actually to like it and to feel proud of our little efforts to help these men who are doing the things in The American Sugar Refining Company. We like to feel that we are a part of this splendid group of young men that Mr. Babst has gathered about him, and we are proud of their achievements. We are not only proud of the fact that they can successfully run a great and complicated task of manufacturing on the most infinitesimal margins, but we are also proud of the fact that in the course of the war they did not put earnings above patriotism or profit before citizenship. The record they have made in the last few days, when they have been able to put the market for refined sugar at fifteen cents a pound for the people of this country, is the last chapter in the war policy of the Company, and we directors feel grateful that these young men have had the ability and the spirit to do these things. Now that they have become a part of Baltimore, and you have taken them in as a part of your business life, I will leave it to them to speak for themselves.

TOASTMASTER, introducing Mr. Nathan C. Kingsbury:

Gentlemen: There is a Director of the Company with us this evening for whom all of his fellow Directors entertain the highest and most affectionate regard. It is not only the desire of his associates, but of his many friends in Baltimore, to hear a word from him this evening.

I call upon Mr. Kingsbury.

ADDRESS

MR. NATHAN C. KINGSBURY

First Vice-President American Telephone and Telegraph Company, Director The American Sugar Refining Company

MR. BROWN, Mr. Toastmaster and Gentlemen: I have been introduced as an executive of a corporation which has been represented in your midst for many years. I am oppressed with the idea this evening that we came here too soon. If we were not already here, it is just possible we might have been accorded such a splendid and wonderful welcome as The American Sugar Refining Company is now receiving. I cannot help but feel it is a bad thing to be in actual operation in all these places in the United States instead of appearing as a new element in your business life. I should like nothing better for the next few years than to go around the many thousand places in the country where we are already doing business and enjoy, if possible, just such enthusiastic greetings as we are having here!

The obligations and duties of a public service corporation official are not always appreciated or easy, and it is sometimes a relief to appear in a different rôle.

It is always a matter of pride with me to have it known that I am connected, even if only as a Director, with the splendid organization of The American Sugar

Refining Company, and I am especially proud this evening to share in some slight degree in the compliment which is being paid to the Company as evidenced by this gathering.

After what we have seen this afternoon of your magnificent harbor and the location of the site which has been selected for the erection of the refinery, we feel that The American Sugar Refining Company is to be congratulated indeed on the prospect which lies before it. And may I not also say that the City of Baltimore is to be congratulated on securing as a member of its great industrial family The American Sugar Refining Company and the location here in your midst of so important and so large an industry as will be represented by the refinery to be immediately erected? As a Director of the Company perhaps I can say some things with respect to the organization that a member of the organization might hesitate to say. I shall not hesitate to say that The American Sugar Refining Company is conducted along the highest possible ethical lines, that its officers and operating officials are men with whom it will be a real pleasure for the citizens and business men of Baltimore to have close relations. You will have in your midst a group of men who are efficient in the handling of their business to a very remarkable degree, and it is a fine thing for any city to have an example of business integrity and efficiency always in evidence.

I believe it is also a matter of real congratulation to the City of Baltimore that the attitude of the Mayor and your other public officials and of the Board of

Trade is so favorable to the establishment of great industries that it has attracted this large refinery, the building of which is sure to be of great benefit to the entire City of Baltimore. Baltimore's reputation for fair dealing with its institutions is of tremendous value to all its citizens, and I predict a mutually successful enterprise.

Regrets from
HONORABLE ALBERT C. RITCHIE
Governor of Maryland

Annapolis, Maryland,
January 16, 1920.

B. HOWELL GRISWOLD, JR.,
Care Alexander Brown & Sons,
Baltimore, Maryland.

I am genuinely distressed to find myself unable to attend your dinner this evening to the President and Directors of The American Sugar Refining Company. The State Budget for the next two years must, however, be completed within three weeks and it is simply unavoidable that I should devote all of this week to outlining and starting that work and holding hearings. Nothing but a public duty of this kind which cannot be postponed would prevent my joining this evening in welcoming to Maryland the distinguished gentlemen whose enterprise, initiative and ability will mean so much to our entire state. Please command me at any time for any service to you or to them which it may be within my power to extend.

(*Signed*) ALBERT C. RITCHIE,
Governor.

Regrets from

DANIEL WILLARD

President, Baltimore & Ohio Railroad Company

Washington, D. C.,
January 16, 1920.

B. Howell Griswold, Jr.,
Care Alexander Brown & Sons,
Baltimore, Maryland.

I regret very much that engagements which I have here in Washington of such a character that I feel they ought not to be broken will prevent my attending the dinner to be given this evening in honor of the President and Directors of The American Sugar Refining Company. It is a matter of great satisfaction to us all to have this great enterprise located in our midst, and so far as I am justified in speaking for the Baltimore and Ohio Company I wish them to know that we shall feel it our duty as well as our pleasure to co-operate with them at all times and in every proper and possible way to advance our mutual interests.

(*Signed*) Daniel Willard,
President,
Baltimore & Ohio Railroad Company.

Regrets from

GEORGE M. SHRIVER

Vice-President, Baltimore & Ohio Railroad Company

New York,
January 16, 1920.

B. Howell Griswold, Jr.,
Care Alexander Brown & Sons,
Baltimore, Maryland.

I regret to find my meeting here will be more prolonged than anticipated precluding my coming to Baltimore in time for even a belated appearance at your dinner. Won't you please express to Mr. Babst and Mr. Stubbs and associates how greatly I regret the failure to meet them under such happy circumstances and to express to them both officially and as a citizen of Baltimore our appreciation of their determination to add their splendid addition to our industrial development and to again assure them of our desire to co-operate in every way possible to further the project to its most effective conclusion. With renewed thanks for your courtesies in the matter of the invitation.

(*Signed*) George M. Shriver,
Vice-President,
Baltimore & Ohio Railroad Company.

Regrets from
RICHARD H. EDMONDS
Editor, Manufacturers' Record

Daytona, Florida,
January 15, 1920.

ALEXANDER BROWN & SONS,
Baltimore, Maryland.

I greatly regret that absence from city makes it impossible to accept your invitation to meet the President and Directors of The American Sugar Refining Company on Friday. The establishment of the proposed refinery in Baltimore will, I believe, be of very great advantage and profit to The American Sugar Refining Company. I know it will be of almost limitless value to Baltimore. Our city is already one of the greatest sugar consuming centres of the United States and the demand will rapidly increase with the certainty of an always available supply. Moreover, this refinery will be a creator of other industries. Looking back to the old days prior to eighteen seventy-three when Baltimore was one of the greatest sugar markets in the world, it is interesting to recall the tremendous influence which this industry had upon every line of business in the city. Baltimore wharves were then crowded with vessels bringing sugar from the West Indies and Central America, returning with cargoes of every variety of merchandise. At that time Exchange Place and Commerce Street and Pratt Street were so crowded with drays that it was difficult

at times to cross the street. The new refinery will probably represent a larger actual investment than all of the old refineries which before eighteen seventy-three created such great prosperity in many lines of industry in Baltimore. Its establishment will be but another epoch marking the tremendous strides which Baltimore is making in industrial and business expansion. With an intimate knowledge of the industrial and commercial life of Baltimore during the last forty years I do not hesitate to predict that the growth of our city during the next five years will far surpass the most optimistic views of ninety-nine per cent. of Baltimore's present population. We are just on the eve of an enormous industrial expansion in Baltimore, of vast building operations, of great extension of financial activities which will make the growth of this city during the next five years commensurate with that phenomenal progress of Detroit under the stimulation of its vast automobile industry. Baltimore is destined to be one of the greatest industrial and commercial cities of the world. It is hastening to the fulfillment of its destiny far more rapidly than is generally understood. The new sugar refinery is but one of the evidences of what it is doing. Baltimore is to be congratulated upon the establishment of this great industry, but I believe that the stockholders of The American Sugar Refining Company are likewise to be greatly congratulated that they have selected so superb a location as Baltimore for this industry.

(Signed) RICHARD H. EDMONDS,
Editor, Manufacturers' Record.

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